

PRESS RELEASE

For Immediate Release

Revenue and PAT stood at Rs. 1,094 crore and Rs. 171 crore for Q1FY25. AUM* of our wealth management businesses crossed a milestone of Rs.1,00,000 crore and the AUM of the mutual fund business has achieved a milestone of Rs. 10,000 crore

Mumbai, August 6, 2024: The Board of Directors of JM Financial Limited, at its meeting held today, approved the unaudited financial results for the first quarter ended June 30, 2024.

Update on Strategic Decisions

Wholesale Credit Business

- Strategic Pivot : From on-balance sheet business model to syndicating transactions to investors and building sales and distribution teams in the private credit and alternatives space
- Consolidation : Significant expertise and relationship across private credit asset classes under a single platform
- Transaction involving acquisition of stake in JM Financial Credit Solutions Limited (JMFCSL) and sale of investment by JM Financial Limited (JMFL) in JM Financial Asset Reconstruction Company Limited (JMFARC) is awaiting regulatory and other approvals
- NBFCs in the Group are estimated to have a lot of liquidity to support the pivot to the syndication model

Focused Businesses

- Primarily includes the entire breadth of our capital markets, broking, wealth and asset management and private credit syndication businesses. Investments shall be increased in these businesses
- Strong tailwinds in the affordable home loans business

Business Update for Q1FY25

o Integrated Investment Bank

- Executed several capital market and M&A transactions
- Private Wealth AUM* increased by 27% YoY to Rs. 74,040 crore as of June 30, 2024 (Rs. 58,163 crore as of June 30, 2023)
- PMS AUM increased by 86% YoY to Rs. 2,325 crore as of June 30, 2024 (Rs. 1,252 crore as of June 30, 2023)

*Assets under Management (AUM) comprises distribution assets and advisory assets, as applicable

○ **Mortgage Lending**

- Wholesale mortgage lending
 - Strong repayments of Rs. 1,109 crore during the quarter leading to reduction in loan book
 - Provisions coverage ratio increased from 55% to 65% for Stage-3 loan accounts resulting in incremental provision of ~Rs. 73 crore
- Retail mortgage lending
 - Branch network expanded to 112 as of June 30, 2024 from 93 as of June 30, 2023
 - Quarterly disbursement of Rs. 116 crore
 - Portfolio assignment of Rs. 95 crore
 - Loan book has increased by 39% YoY to Rs. 2,022 crore as of June 30, 2024 (Rs. 1,450 crore as of June 30, 2023)

○ **Platform AWS (Asset management, Wealth management and Securities business)**

- Average daily turnover increased by 86% YoY to Rs. 60,740 crore as of June 30, 2024 (June 30, 2023 - Rs. 32,626 crore)
- SEBI Margin Trade Financing book grew more than two times to Rs. 1,806 crore as of June 30, 2024 (June 30, 2023 – Rs. 863 crore)
- Retail and Elite Wealth AUM* increased by 19% YoY and 62% YoY respectively to Rs. 30,125 crore and Rs. 2,181 crore respectively as of June 30, 2024 (Retail and Elite Wealth AUM* stood at Rs. 25,316 crore and Rs. 1,348 crore respectively as of June 30, 2023)
- Closing AUM of mutual fund business grew more than three times to Rs. 9,318 crore as of June 30, 2024 (Rs. 2,811 crore as of June 30, 2023). Closing AUM of equity schemes grew more than six times to Rs. 6,850 crore as of June 30, 2024
- We continue to invest in digital and asset management businesses

○ **Alternative and Distressed Credit**

- JM Financial Asset Reconstruction Company (JMFARC)'s AUM stood at Rs. 14,229 crore as of June 30, 2024 (Rs. 15,109 crore as of June 30, 2023)
- During the quarter, JMFARC closed 2 acquisition deals aggregating dues of Rs. 508 crore and recoveries stood at Rs. 599 crore
- JMFARC successfully implemented resolution plan of Sevenhills Vizag Hospital and received its share in the recovery
- JM Financial Group infused ~Rs. 596 crore equity during the quarter through rights issue into JMFARC

*Assets under Management (AUM) comprises distribution assets and advisory assets, as applicable

Commenting on the results and financial performance, Mr. Vishal Kampani, Non-executive Vice Chairman, JM Financial Limited, said,

“The growth in the key economies has been resilient as underlying inflationary pressure has moderated and as a result, a number of central banks have adopted a less restrictive monetary policy. The Indian economy has demonstrated sustained resilience thanks to positive business outlook and consumer sentiment, robust private consumption and continued momentum in manufacturing and services. Resilient capital market and strong retail participation along with FIs and DIs have set the stage for robust activities. The healthy balance sheets of banks and corporates and capex push by the government created a conducive climate for investment and growth.

We are seeing tremendous traction in the capital markets, wealth and asset management businesses. Post the strategic announcements, we are aligning our resources and channelizing the bandwidth towards our focused businesses which include the capital markets, broking, wealth and asset management, private credit syndication and affordable home loans. We are happy to report that the AUM of our wealth management businesses crossed a milestone of rupees one lakh crore and the AUM of the mutual fund business has achieved a milestone of Rs. 10,000 crore in the month of July 2024.”

Summary of Consolidated results:

(Rs. in Cr)

Particulars	Quarter ended June 30, 2024	Quarter ended March 31, 2024*	QoQ % Increase / (Decrease)	Quarter ended June 30, 2023	YoY % Increase / (Decrease)
Total income	1,094	1,276	(14%)	1,081	~
Pre-Provision Operating Profit	318	669	(52%)	377	(16%)
Profit before tax	245	413	(41%)	230	6%
Net profit after tax and before NCI [^]	187	311	(40%)	176	6%
Net profit after tax, NCI and share of associate	171	345	(51%)	166	3%

Particulars	Quarter ended June 30, 2024	Quarter ended March 31, 2024*	QoQ % Increase / (Decrease)	Quarter ended June 30, 2023	YoY % Increase / (Decrease)
Additional provision on Security Receipts / loans (post tax and post NCI)	-	(574)	N/M	-	-
Net profit after tax, NCI and share of associate	171	(229)	N/M	166	3%

* Pre-Provisioning Profit and Profit Before Tax is before considering the impact of Rs. 985 Cr on account of additional provision (including exceptional loss) considered in Security Receipts ("SRs") on a few accounts and loans in our distressed credit business for Q4FY24. Net Profit after tax, NCI and share of associate is prior to adjusting a loss of Rs. 574 Cr.

^Non-Controlling Interests

~ indicates flattish performance

Summary of Key Statistics

(Rs. in Cr, unless otherwise stated)

Particulars	Quarter ended June 30, 2024	Quarter ended March 31, 2024	Quarter ended June 30, 2023
Retail Mortgage Loan book	3,267	3,239	2,033
SEBI MTF Loan Book (part of Platform AWS)	1,806	1,410	863
EPS (Rs.)	1.8	(2.4)*	1.7
Consolidated net worth^	8,612	8,438	8,251
BVPS (Rs.)^	90.1	88.3	86.4
Debt /equity^	1.4x	1.5x	1.5x
Cash and Cash equivalents	3,975	4,769	1,452

^ Computed after reducing goodwill of Rs.52.4 Cr from shareholders' funds and excludes borrowings for episodic financing

* Q4FY24 PAT included loss (post tax and NCI) of Rs. 574 Cr (including exceptional loss) from additional provision on SRs and loans of few accounts in our distressed credit business

Summary of Segment-wise performance:

(Rs. in Cr)

Consolidated Net Profit	Quarter ended June 30, 2024	Quarter ended March 31, 2024	QoQ % Increase / (Decrease)	Quarter ended June 30, 2023	YoY % Increase / (Decrease)
Investment Bank	95	298	(68%)	106	(10%)
Mortgage Lending	36	(33)	N/M	9	287%
Alternative & Distressed Credit	(6)	7*	N/M	15	N/M
Platform AWS	21	46	(55%)	9	124%
Others	25	27	~	27	~
Total Consolidated Net Profit	171	345*	(51%)	166	3%
<i>Additional provision on Security Receipts / loans (post tax and post NCI)</i>	-	(574)	N/M	-	-
Total Consolidated Net Profit	171	(229)	N/M	166	3%

* Q4FY24 PAT is prior to adjusting loss (post tax and NCI) of Rs. 574 Cr (including exceptional loss) from additional provision on SRs and loans of few accounts in our distressed credit business

~ indicates flattish performance

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The press release and unaudited financial results are available on our website www.jmfi.com

About JM Financial

JM Financial is an integrated and diversified financial services group. The Group's primary businesses include (i) **Integrated Investment Bank (IB)** caters to Institutional, Corporate, Government and Ultra High Networth clients and includes investment banking, institutional equities and research, private equity funds, fixed income, private wealth management, PMS, syndication and finance; (ii) **Mortgage Lending** includes both wholesale mortgage lending (primarily catering to real estate developers) and retail mortgage lending (affordable home loans and secured MSME); (iii) **Alternative and Distressed Credit** includes the asset reconstruction business and alternative credit funds; and (iv) **Asset management, Wealth management and Securities business (Platform AWS)** provides an integrated investment platform to individual clients and includes elite and retail wealth management business, broking and mutual fund business.

As of June 30, 2024, the consolidated loan book stood at **~Rs. 119.3 BN**, distressed credit business AUM at **~Rs. 142.3 BN**, wealth management AUM at **~Rs. 1.1 TN** and mutual fund AAUM at **~Rs. 78.0 BN**.

The Group is headquartered in Mumbai and has a presence across **843** locations spread across **219** cities in India. The equity shares of JM Financial Limited are listed in India on the BSE and NSE.

For more information, log on to www.jmfl.com or **contact:**

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Forward - Looking statements

This press release ('document') containing JM Financial Group's activities, projections and expectations for the future, may contain certain forward-looking statements based upon the information currently available with the Company or any of its subsidiaries and associate companies. The financial results in future may vary from the forward-looking statements contained in this document due to uncertainties and unforeseen events that may impact the businesses of the JM Financial Group. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events.

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